



GAIL FARBER, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE

REFER TO FILE: **AS-0**

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

REVISED

July 21, 2009

17

JULY 28, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**AMENDMENT TO CONTRACT FOR ELEVATOR
MODERNIZATION AND MAINTENANCE – PUBLIC WORKS
ALHAMBRA HEADQUARTERS BUILDING
(SUPERVISORIAL DISTRICT 5)
(3 VOTES)**

SUBJECT

This action is to amend Contract No. 001217 for Elevator Modernization and Maintenance – Department of Public Works Headquarters to continue to provide continuous uninterrupted maintenance and service on the Department of Public Works' existing eight elevators located in their Alhambra Headquarters building and the existing two elevators in the adjacent annex building, ~~and bring the two hydraulic elevators in the adjacent annex building up to current California elevator code standards during this maintenance extension.~~

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the work continues to be categorically exempt from the provisions of the California Environmental Quality Act.

2. Approve Amendment 2 to Contract No. 001217 with NAES Acquisition Corporation, d.b.a. Amtech Elevator Services, located in Downey, California, for Elevator Modernization and Maintenance – Headquarters, to enable extend this contract to continue on a month-to-month basis for a period not to exceed 12 months from Board approval, for a two-year period with a one-year renewal option, starting July 28, 2009, at a monthly rate not to exceed \$4,800, and a potential total contract sum not to exceed contract sum of \$57,600 \$115,200 for the maintenance of the elevators, while the Department of Public Works completes the solicitation process for a replacement contract. ; \$94,289 to complete mechanical upgrades to two elevators, for a total not to exceed amount of \$209,489; and a one-year renewal option for maintenance at an annual sum of \$57,600, if applicable.
3. Authorize the Director of Public Works or her designee to increase the contract amount up to an additional 10 percent of the potential total contract sum for the two-year term; and to annually increase the contract amount up to an additional 10 percent of the annual contract sum for the option year for unforeseen, additional work within the scope of the contract, if required.; and to adjust the contract sum to allow for the cost of living adjustments in accordance with the Amendment.
4. Authorize the Director of Public Works or her designee to execute the Amendment; ~~to renew the contract for the additional renewal option if, in the opinion of the Director of Public Works, the NAES Acquisition Corporation, d.b.a. Amtech Elevator Services has successfully performed during the previous contract period and the services are still required; to approve and execute Amendments to incorporate necessary changes within the scope of work; and to suspend work if, in the opinion of the Director of Public Works, it is in the best interest of the County to do so.~~

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to provide continuous uninterrupted maintenance and service on the Department of Public Works' (Public Works) existing eight elevators located in the Alhambra Headquarters building and the existing two elevators in the adjacent annex building, while Public Works completes the solicitation process for a replacement contract. and bring the two hydraulic elevators in the adjacent annex building up to current California elevator code standards during this maintenance extension.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). The contractor who has the specialized expertise to provide this service accurately, efficiently, timely, and in a responsive manner will support Public Works in meeting these goals.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

The Amendment is for ~~a two-year term in a~~ potential total amount not to exceed ~~\$209,489 with a one-year renewal option at an additional cost of \$57,600 plus 10 percent of the~~ potential total contract sum ~~for the two-year term and the option year for unforeseen, additional work within the scope of the contract.; and any applicable annual cost of living adjustments in accordance with County Policy and terms of the Amendment.~~ This amount is based on the monthly amount of \$4,800. ~~for one year a term of two years, \$94,289 for the mechanical repairs and upgrades of two annex building elevators, and a one-year renewal option for maintenance at \$57,600 (\$4,800 per month for 12 months), if applicable.~~ The Board of Supervisors' direction on contract cost savings was not implement in this case, since the Amendment negotiation process for this contract was well underway prior to June 16, 2009.

Funding for the potential total contract amount, including the additional 10 percent for contingencies, ~~Financing for this service is included in the Fiscal Year 2009-10 Proposed Flood Control District Fund Budget. Funds to finance the contract's second year, option year, 10 percent additional funding for contingencies, and any applicable cost of living adjustment will be requested through the annual budget process.~~

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Prior to the Director executing this Amendment (Enclosed), the contractor will sign and County Counsel will review it as to form.

Your Board approved this contract on June 11, 2002, Synopsis No. 50. The contract commenced on July 1, 2002, for elevator modernization and maintenance for a total construction period of approximately 300 days, with a one-year warranty period and 60-month maintenance period. The total contract sum approved for this contract was \$1,340,272 plus 15 percent for contingencies. This contract is set to expire on July 27, 2009, and was extended by the Director under delegated authority in the contract for ten days. There is sufficient funding left in the current contract to provide financing for the additional ten days of service. Your Board approved Amendment 1 to this contract

on December 19, 2006, Agenda Item 62 to reflect an Assignment from Otis Elevator Company to NAES Acquisition Corporation, d.b.a. Amtech Elevator Services.

This Amendment will continue Contract No. 001217 with NAES Acquisition Corporation, d.b.a. Amtech Elevator Services for Elevator Modernization and Maintenance - Headquarters ~~to continue this contract on a month- to-month basis for up to 12 months for one additional year commencing upon Board approval a term of two years, with a one-year renewal option starting on July 28, 2009.~~ This Amendment will continue the contract's current terms and conditions except amended. the monthly maintenance cost, which was increased from \$3,491 to \$4,800 to account for increases in the State's prevailing wage from 2002 – 2008. This rate includes, at no additional charge to the County, paying for the annual permit and the associated permit processing costs; one-hour response time for failures and shut-downs; and routine inspections, maintenance, and repairs. ~~This Amendment includes a cost of living adjustment provision, which is in accordance with your Board's Policy approved January 29, 2002.~~

ENVIRONMENTAL DOCUMENTATION

This service continues to be categorically exempt from the provisions of the California Environmental Quality Act (CEQA) Guidelines Section 15301. This service is exempt from CEQA because it is for the maintenance of existing mechanical equipment. within a class of projects that has been determined not to have a significant effect on the environment in that it meets the criteria set forth in Section 15301 (d) of CEQA.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the Amendment will continue the current contract services.

The Honorable Board of Supervisors
July 21, 2009
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CONCLUSION

Please return one adopted copy of this letter to the Department of Public Works,
Administrative Services Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gail Farber", written in a cursive style.

GAIL FARBER
Director of Public Works

GF:GZ:cg

Enclosure

c: Chief Executive Office (Lari Sheehan)
County Counsel
Executive Office

AMENDMENT 2 TO CONTRACT NO. 001217

ELEVATOR MODERNIZATION AND MAINTENANCE □ HEADQUARTERS

THIS AMENDMENT, made and entered into this ____ day of _____, 2009, by and between the COUNTY OF LOS ANGELES, a subdivision of the State of California, a body corporate and politic (hereinafter referred to as COUNTY) and NAES ACQUISITION CORPORATION, d.b.a. AMTECH ELEVATOR SERVICES, a corporation (hereinafter referred to as CONTRACTOR).

WITNESSETH

WHEREAS, Contract No. 001217 was entered into between the COUNTY and the CONTRACTOR, on July 1, 2002, to provide elevator modernization and maintenance services for the Headquarters facility and the adjacent annex building; commencing on July 1, 2002, for a construction period of approximately 300 days, with a one-year warranty period and 60-month maintenance period; and

WHEREAS, an Assignment, Assumption, and Consent to Assignment and Assumption was entered into between the COUNTY and the ASSIGNOR, on December 19, 2006; and

WHEREAS, the Contract is set to expire on July 27, 2009; and

WHEREAS, the parties desire to extend the contract for a term of two years, with one 1-year renewal option; and

WHEREAS, the CONTRACTOR is willing to continue to provide the service, under the Contract's existing terms and conditions, during the period as extended under this AMENDMENT; and

NOW, THEREFORE, in consideration of these facts and payment to be made by the COUNTY, the COUNTY and the CONTRACTOR agree that Contract No. 001217 between them shall be amended as follows:

FIRST: The First paragraph of the Agreement, is hereby amended and modified to extend the expiration of the term of the Contract for a period of two years, with one 1-year renewal option, beginning on July 28, 2009, as follows:

- CONTRACTOR shall provide continuous performance of this Contract commencing on July 28, 2009, up to the maximum period of two years, with one 1-year renewal option.

SECOND: The not-to-exceed amount is \$209,489 for maintenance and upgrade for the two-year extension (\$4,800 per month plus \$94,289 for the mechanical upgrades) and \$57,600 (\$4,800 per month) for one renewal option year, if any, or such greater amount as the Board may approve (Maximum Contract Sum).

THIRD: The contract is amended to include Exhibit C, Section 14221 ☐ Modernization of Elevators, attached hereto.

FOURTH: County may hold-back five percent (5☐) of each invoice, including parts and labor (hereinafter "retention"), approved by the COUNTY for the mechanical upgrades of the two (2) annex building elevators (Elevator No. 9 and Elevator No. 10). The cumulative amount of retention for all invoices under this Amendment 2, shall not exceed ten percent (10☐) of the total amount for the mechanical upgrades; and shall be due and payable within 60 days of final acceptance of both annex building elevators by the COUNTY. Retention does not apply to the routine maintenance portion of the Contract for Elevators No. 1 through No. 8.

FIFTH: The total amount for the mechanical upgrades of the two (2) Annex building elevators (Elevator No. 9 and Elevator No. 10) as outlined in Exhibit C, Section 14221 ☐ Modernization of Elevators, shall not exceed \$94,289. The schedule of payment shall be as follows:

- Fifty percent (50☐) of the amount for the mechanical upgrades (\$47,144.50), less retention, shall be due upon CONTRACTOR'S delivery of major equipment to COUNTY, payable by COUNTY within 30 days of delivery.
- Thirty percent (30☐) of the amount for the mechanical upgrades (\$28,286.70), less retention, shall be due after completion of 10 full working days of the CONTRACTOR manning of the work site and after substantial completion of the project has been achieved as agreed upon by COUNTY and CONTRACTOR, payable by COUNTY within 30 days after due date.
- Ten percent (10☐) of the amount for the mechanical upgrades (\$9,428.90), less retention, shall be due upon work completion and passing the final inspection by state certified elevator inspector for Elevator No. 9, upon acceptance by COUNTY of Elevator No. 9, and when Elevator No. 9 is put into public service, payable by COUNTY within 30 days after due date.
- Ten percent (10☐) of the amount for the mechanical upgrades (\$9,428.90), less retention, shall be due upon work completion and passing the final inspection by state certified elevator inspector for Elevator No. 10, upon acceptance by COUNTY of the Elevator No. 10, and when Elevator No. 10 is put into public service, payable by COUNTY within 30 days after due date.

SIXTH: CONTRACTOR shall provide a 1-year warranty period on all parts and labor for the two (2) Annex elevators (Elevator No. 9 and Elevator No. 10) upon successful passing of the final inspection by the State of California and acceptance by the COUNTY. The warranty period may run concurrently with any maintenance period authorized by this Amendment 2.

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SEVENTH: Part I, Section 2.BD, Hour and Days of Maintenance Service, has been deleted in its entirety and replaced with the following language:

- Contractor shall provide elevator maintenance two (2) hours per day Monday through Friday for a total of at least 10 hours per week. Monday through Thursday maintenance shall be performed in the mornings, no later than 11 a.m., Friday maintenance shall be performed between the hours of 6:30 a.m. and 6 p.m.

EIGHTH: Beginning on July 1 of the following year of the Contract term, and thereafter on each succeeding July 1, the Director may adjust the rate of compensation set forth in Form PW-2 (Schedule of Prices) annually based on the increase or decrease in the U.S. Department of Labor, Bureau of Labor Statistics', All Urban Consumers Price Index for the Los Angeles-Riverside-Orange County Area (CPI) for the 12-month period preceding July 1. The percentage change in the rate of compensation shall equal 12 times the average monthly change in the CPI over the first nine months. However, any percentage increase shall not exceed the general salary movement granted to COUNTY employees as determined by the COUNTY'S Chief Executive Office as of July 1 for the prior 12-month period. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any increase in COUNTY employee salaries, no cost-of-living adjustment will be granted.

NINTH: Except as modified in the AMENDMENT, all terms, conditions, requirements, Form PW-2 (Schedule of Prices), and specifications of the Contract, as amended shall remain in full force and effect.

IN WITNESS WHEREOF, the COUNTY has, by order of its Board of Supervisors,

caused these presents to be subscribed by the Director of Public Works, and the CONTRACTOR has subscribed its name by and through its duly authorized officers, as of the day, month, and year first written above.

COUNTY OF LOS ANGELES

By
Director of Public Works

APPROVED AS TO FORM:

ROBERT E. KALUNIAN
Acting County Counsel

By
Deputy

NAES ACQUISITION CORPORATION,
d.b.a. AMTECH ELEVATOR SERVICES

By
Its President

Type or Print Name

By
Its Secretary

Type or Print Name